



City of Hartford FY2024 Recommended Budget Public Hearing

April 5, 2023

INTRODUCTION



- **Goals of the FY2024 Recommended Budget:**
 - To protect and enhance the tax relief of last year's property tax rate (mill rate) reduction
 - To preserve and protect Hartford's fiscal strength and sustainability
 - To deliver the core services that our community deserves and enhance services where possible
 - To budget responsibly, based on careful and accurate projections of expenditures and revenues

INTRODUCTION



- **This Recommended Budget:**
 - Makes targeted investments to develop capacity to deliver core services more effectively
 - Maintains the property tax rate at 68.95 mills and expands elderly tax relief by \$250 to \$1,000
 - Builds on recent measures to help Hartford compete in attracting and retaining a quality workforce
 - Maintains current funding for Hartford Public Schools, representing an increase in per pupil spending
 - Does not include any new borrowing or rely on any one-time revenues

STAFFING HIGHLIGHTS



- **Adds Public Health and Safety Staff**
 - 3 additional Housing Inspectors
 - 4 Fire Marshal's Office Inspectors
 - 4 additional 9-1-1 Dispatchers and 1 Supervisor
- **Expands the Public Works Team**
 - Adds 15 new staff for Blight Remediation, Parks, Facilities, Engineering, Street Services, and Waste & Recycling
- **Grows the Dept. of Families, Children, Youth and Rec.**
 - Funds staffing for expanded hours and programming at recreation centers
- **Adds Library Staff**
 - Adds part-time staffing for expanded days and hours of operation at library branches



Overview of the FY2024 Recommended Budget

FY2024 RECOMMENDED BUDGET

ESSENTIAL SERVICES-ONLY BUDGET



General Fund:	FY2023 Adopted Budget	FY2024 Recommended Budget	Variance (\$) FY2023 Adopted to FY2024 Recommended	Variance (%) FY2023 Adopted to FY2024 Recommended
Total Revenues	599,574,731	619,171,109	19,596,378	3.27%
Total Expenditures	599,574,731	619,171,109	19,596,378	3.27%
Surplus / (Deficit)	0	0	0	

- Overall spending increases are held to 3.27%
- Provides for contracted wage increases and targeted increases in headcount
- Supports programmatic expansion at City's recreation centers and increased hours at library branches
- Continues necessary investments in equipment and technology.

REVENUE SUMMARY



Revenue Category	FY22 Actual	FY23 Budget	FY24 Recommended	\$ Change FY24 vs FY23	% Change FY24 vs FY23
Taxes	295,133,692	294,747,269	300,623,516	5,876,247	2.0%
Licenses and Permits	6,225,995	6,119,612	6,595,671	476,059	7.8%
Fines, Forfeits and Penalties	192,966	154,100	153,840	(260)	-0.2%
Interest and Rental Income	1,647,085	1,171,054	7,479,015	6,307,961	538.7%
Intergovernmental	332,953,403	288,532,177	294,045,484	5,513,307	1.9%
Charges for Services	4,940,478	3,149,666	3,777,049	627,383	19.9%
Reimbursements	80,343	89,653	89,653	0	0.0%
Other Revenues	328,236	55,200	276,081	220,881	400.1%
Other Financing Sources	4,718,887	5,556,000	6,130,800	574,800	10.3%
Total Revenues	646,221,086	599,574,731	619,171,109	19,596,378	3.3%

- Additional property tax revenue projected due to grand list growth and maintaining a level mill rate
- Stable level of State Aid with an increase in PILOT
- Considerable growth in interest income due to rising interest rates
- Increased revenues from permitting activity, conveyance taxes and parking

EXPENSE SUMMARY

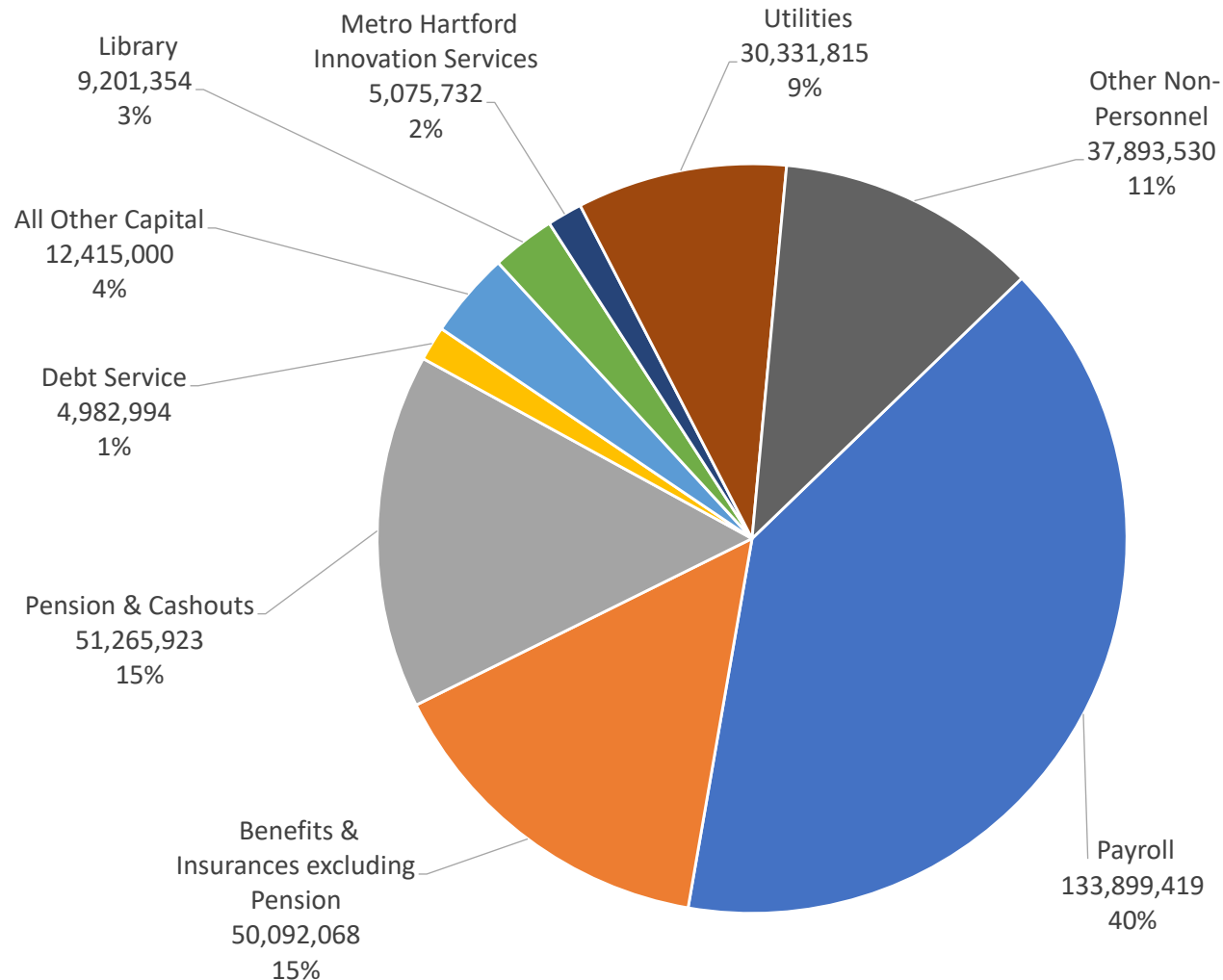


Expenditure Category	FY22 Actual	FY23 Budget	FY24 Recommended	\$ Change FY24 vs FY23	% Change FY24 vs FY23
Payroll	116,456,657	124,048,205	133,899,419	9,851,214	7.9%
Benefits	68,811,634	98,049,066	101,357,991	3,308,925	3.4%
Debt & Other Capital	111,386,490	15,454,900	17,397,994	1,943,094	12.6%
Library	0	8,663,336	9,201,354	538,018	6.2%
Metro Hartford Innovation Services	2,151,273	4,392,973	5,075,732	682,759	15.5%
Utilities	28,290,066	30,256,463	30,331,815	75,352	0.2%
Other Non-Personnel	28,456,721	34,696,514	37,893,530	3,197,016	9.2%
Education	281,437,369	284,013,274	284,013,274	0	0.0%
Total General Fund	636,999,210	599,574,731	619,171,109	19,596,378	3.3%

- Increase in payroll driven by contractual increases, programmatic enhancements and measures to ensure competitiveness in labor market
- Increase in General Fund contribution to Capital Improvement Plan
- Increase in Non-Personnel to support replacement plans for vehicles and equipment and to continue investment in technology
- Additional technology investments in Metro Hartford Innovation Services

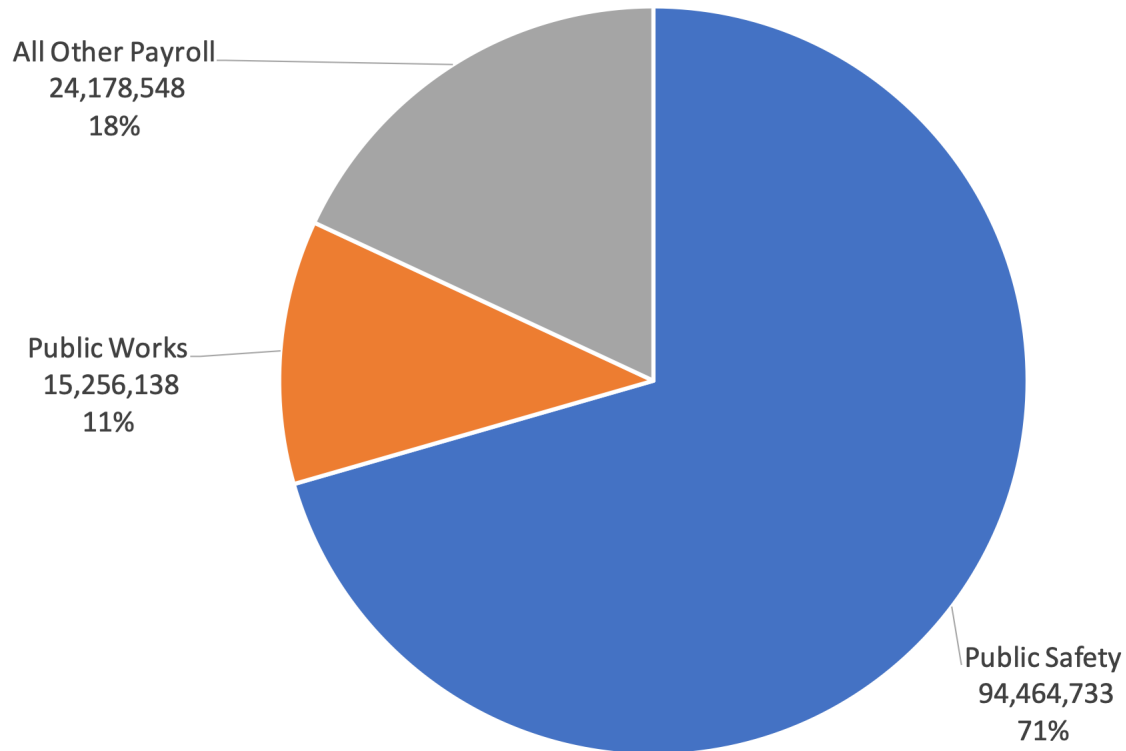
COMPONENTS OF THE EXPENDITURE BASE

\$335.2 M MUNICIPAL BUDGET



FY2024 PERSONNEL SERVICES / PAYROLL BUDGET

MUNICIPAL BUDGET: \$133.9M¹

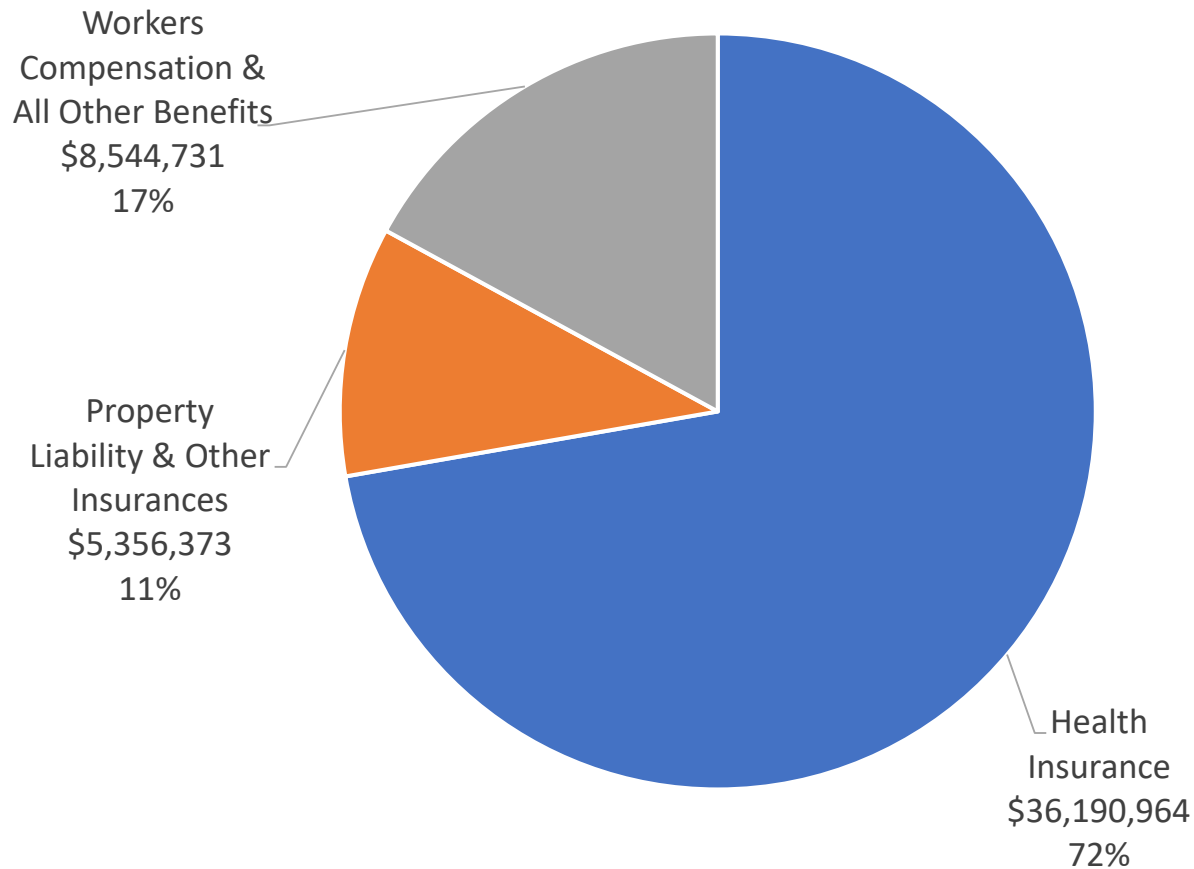


¹ FY2024 Payroll Staffing & OT Budget, excluding Education.

In FY2024, the City workforce includes 1,475 General Fund positions, which is 10% smaller than in FY2003 and 34% smaller than in FY1993.

BENEFITS AND INSURANCES

EXCLUDING PENSIONS (TOTAL \$50.1M)



FY2024 RECOMMENDED BUDGET

ADDITIONAL KEY POINTS



- Continues the City's policy since 2016 of not issuing new general obligation debt
- Funds the projected annual pension obligation (Actuarial Determined Employer Contribution, or ADEC) – *final ADEC pending from actuarial firm*
- Does not utilize American Rescue Plan funding to balance the budget, allowing for investment in recovery priorities jointly identified by Mayor & City Council in 2021
- Continues to build fiscal capacity, positioning the City for additional credit ratings upgrades

FIVE-YEAR PLAN and LONG-TERM SUSTAINABILITY



- **Long-Term Sustainability Depends Upon:**
 - Aggressively attracting investment and growth with focus on long-term tax base
 - Staying disciplined in our spending
 - Continuing to fund capital improvements with operating funds and grant funds rather than borrowing
 - Using American Rescue Plan funding to meet community needs while building a foundation for a strong recovery



Capital Improvement Program

FY2024 RECOMMENDED BUDGET

CAPITAL IMPROVEMENT PROGRAM



- **\$42.34 million Capital Plan makes investments in:**
 - School Construction
 - Flood Control & Drainage
 - Bridge Maintenance and Repair
 - City-Wide ADA Improvements to Sidewalks and Buildings
 - Neighborhood Environmental Improvements, Tree Planting, and Parks
 - Public Health & Public Safety

CITY OF HARTFORD



Public Comment